Appraisal of lands.

Sec. 3. Upon the filing of an application to purchase any lands subject to the operation of this Act, together with the required proof, the Secretary of the Interior shall cause the lands described in said application to be appraised, said appraisal to be on the basis of the value of such lands at the date of appraisal exclusive of any increased value resulting from the development or improvement thereof by the applicant or his predecessor in interest.

Issuance of patent upon payment of appraised value.

Sec. 4. An applicant to purchase under the provisions of this Act, in order to be entitled to a patent, must, within three months from receipt of notice of appraisal, pay to the Commissioner of the General Land Office the appraised value of the lands, and thereupon a patent shall issue to said applicant for such lands as the Secretary of the Interior shall determine that such applicant is entitled to purchase under this Act. The proceeds from such sales shall be covered into the United States Treasury and applied as provided by law for the disposal of the proceeds from the sale of public lands.

Proceeds covered into Treasury.

Sec. 5. The Secretary of the Interior is hereby authorized to prescribe all necessary rules and regulations for administering the provisions of this Act and determining conflicting claims arising hereunder.

Rules and regulations.

SEC. 6. All purchases made and patents issued under the provisions of this Act shall be subject to and contain a reservation to the United States of all the coal, oil, gas, and other minerals in the lands so purchased and patented, together with the right to prospect for, mine, and remove the same.

Approved, August 27, 1940.

Mineral rights reserved.

[CHAPTER 692]

AN ACT

August 27, 1940 [S. 4011] [Public, No. 773]

To authorize the Secretary of the Interior to accept payment of an annual equitable overhead charge in connection with the repayment contract between the United States and the Strawberry Water Users' Association of Payson, Utah, in full satisfaction of delinquent billings upon the basis of an annual fixed overhead charge, and for other purposes.

Strawberry Water Users' Association, Payson, Utah. Payment by, of annual overhead

charge.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in connection with any amendment heretofore or hereafter made to the repayment contract between the Strawberry Water Users' Association of Payson, Utah, and the United States, dated September 28, 1926, as amended, to pay construction charges under the provisions of the Federal reclamation laws providing for payment annually of an amount as is determined by the Secretary each year to be sufficient to cover the Strawberry Valley project's equitable portion of the expense of the Chief Engineer's office, the field legal office, and the other detached offices of the Bureau of Reclamation, the Secretary of the Interior is authorized, subsequent to the effective date of such an amendment, to accept in full satisfaction for all flat overhead charges owing or allocable to the period up to the effective date of the amendment under the contract provisions in effect prior to such amendment a sum determined at the rate of \$400 for each year.

Approved, August 27, 1940.

[CHAPTER 693]

AN ACT

Relating to transportation of foreign mail by aircraft.

Postal Service. Transportation of foreign mail by air-

August 27, 1940 [S. 4137]

[Public, No. 774]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in all cases where, pursuant to the provisions of subsection (i) (2) of section 405 of the Civil Aeronautics Act of 1938, approved June 23, 1938 (52)